



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

To open, right click on "Select a bill", select Worksheet Object/Edit. To exit, click outside the spreadsheet.

Bill #	HB0624	Title:	Implement nursing compact
Primary Sponsor:	Clark, Edith	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

To open the fiscal Summary spreadsheet, right click on the spreadsheet, select Worksheet Object/Edit. To exit the spreadsheet, click outside of the spreadsheet.

	<u>FY 2008</u> <u>Difference</u>	<u>FY 2009</u> <u>Difference</u>	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$42,991	\$8,011	\$3,000	\$3,000
Federal Special Revenue	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	(\$39,000)	(\$39,000)	(\$39,000)	(\$39,000)
Federal Special Revenue	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: (In a few short sentences, describe.)

HB 624 enters Montana into the Nurse Multi-state Licensure Compact (NMLC). This compact grants registered and licensed practical nurses multi-state licensure privileges with other NMLC party states. Nurses will only have to be licensed in their primary state of residence, while practicing nursing in another state that is party to the NMLC. Currently, nurses are required to be licensed in each state in which they choose to practice.

Under the compact, applicants for licensure must meet the qualifications for licensure and license renewal of the nurses' state of residence. This bill establishes a coordinated licensure information system that will include a database of the licensure and disciplinary history of all nurses licensed in party states. Montana is already participating in this coordinated system.

Party states may limit or revoke the multi-state licensure privilege of a nurse to practice in their state and may take necessary disciplinary action. Every nurse practicing in a party state must comply with the state practice laws of the state in which the patient is located at the time care is rendered.

FISCAL ANALYSIS

Assumptions:

1. The executive director for the Montana Board of Nursing will administer the compact in Montana. There will be no need for additional staff following full implementation, which typically takes 2 years.
2. HB 624 will require changes to the present database to institute both multi-state licenses as well as single-state licenses. Costs for changes to the Oracle database will be absorbed by the department's base budget. Changes will be completed by existing staff. Changes required to the renewal database will also be absorbed into base budget and the department's existing contract with Montana Interactive.
3. It is assumed there will be a 3-6% decrease in revenue from endorsement applications and subsequent renewals; the fiscal impact of this decrease to revenues will be approximately a \$12,000 loss per year in application revenue and a \$27,000 loss per year in renewal revenue.
4. Rules will be required to be promulgated to specify how the compact will be administered.
5. It is assumed that there will be 12 administrative rule pages at a cost of \$50 per page for a total of \$600.
6. 17,500 licensees will be notified of both the proposed rule change and the adoption notice via postcard that will direct licensees to the Board's website for the full rule and adoption text at an estimated cost of \$1.00 per postcard for printing and postage. Total cost \$35,000 (2 mailings x \$1.00 x 17,500 licensees).
7. Persons on the interested parties list will be mailed hard copies of the rule and hearing notice and adoption notice. Estimated costs for copying and postage are \$3 per notice x 280 interested parties x 2 mailings = \$1,680.
8. A rule hearing will be required with a court transcriber for an estimated cost of \$200.
9. Attorney fees for the hearing will be absorbed in the department's base budget.
10. Total cost associated with the adoption of rules in FY 2008 = \$37,480.
11. The executive director will incur travel costs associated with initial implementation and education associated with the compact.
12. It is assumed there will be 9 three-day trips per year of the biennium.
13. Mileage will be estimated at an average round trip of 500 miles x \$.215 per mile x 9 trips = \$967.50.
14. Overnight stays will be required for approximately two nights per trip at a cost of \$1,080 (9 trips x 2 nights x \$60.00 per night for lodging).
15. Per diem for meals will be \$621 (9 trips x 3 days each x \$23 per day).
16. The executive director will present the compact at the MHA (Montana Hospital Association) and MHCA (Montana Health Care Association) annual & mid year meetings. This will include 4 three-day meetings per year. Estimated costs per fiscal year \$756 (Meals @ 4 meetings x 3 days x \$23 = \$276). (Lodging @ \$60 x 2 nights x 4 meetings = \$480).
17. Although the National Council of State Boards of Nursing will provide assistance and will cover some travel for the Board of Nursing Executive Director to attend required meetings, it is estimated there will be costs of \$2,000 in the biennium for out of state travel for this purpose. Lodging \$656 (4 nights x \$164 per night) Meals 180 (5 days x \$36).
18. Total travel costs for both years of the biennium = \$4,260.50

19. It is estimated there will be costs of approximately \$250 for advanced marketing materials and mailings for printing and postage to encourage attendance at the regional meetings (\$1 per flyer); \$500 copying and layout costs for brochures explaining the compact (\$2 brochures).
20. Total education and printing costs for both years of the biennium = \$750.
21. It is assumed there will be additional telephone charges the first year of the compact (FY 2008) of \$500 to cover conference calls and calls for technical and implementation assistance.
22. Annual dues for participation in the compact will be \$3,000. Initial dues would not be required until FY 2009.

To open the spreadsheet below, right click on the spreadsheet, select Worksheet Object/Edit. To exit the spreadsheet, click outside of the spreadsheet.

	<u>FY 2008</u> <u>Difference</u>	<u>FY 2009</u> <u>Difference</u>	<u>FY 2010</u> <u>Difference</u>	<u>FY 2011</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$42,991	\$8,011	\$3,000	\$3,000
Equipment	\$0	\$0	\$0	\$0
Benefits	\$0	\$0	\$0	\$0
Transfers	\$0	\$0	\$0	\$0
TOTAL Expenditures	\$42,991	\$8,011	\$3,000	\$3,000
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$42,991	\$8,011	\$3,000	\$3,000
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	\$42,991	\$8,011	\$3,000	\$3,000
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$39,000)	(\$39,000)	(\$39,000)	(\$39,000)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
TOTAL Revenues	(\$39,000)	(\$39,000)	(\$39,000)	(\$39,000)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$81,991)	(\$47,011)	(\$42,000)	(\$42,000)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0

Effect on County or Other Local Revenues or Expenditures:

1. None

Long-Range Impacts:

1. None

Technical Notes:

1. Individuals not residing in a party state shall continue to be able to apply for nurse licensure as provided for under the laws for nursing in Montana.
2. There will be no net effect of cost for compliance or investigation of disciplinary cases; on the contrary, investigations will be aided by the sharing of information from the other compact member states.
3. Montana will be applying for grant money from NMLC to cover the implementation costs.

<u>Sponsor's Initials</u>	<u>Date</u>	<u>Budget Director's Initials</u>	<u>Date</u>
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